

UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF NORTH CAROLINA
GREENVILLE DIVISION

IN RE:

CAH ACQUISITION COMPANY #1, LLC
d/b/a WASHINGTON COUNTY HOSPITAL

DEBTOR

CHAPTER 11

CASE NO: 19-00730-5-JNC

☐ Check if this is an amended filing

**MONTHLY REPORT OF CORPORATE DEBTOR IN
POSSESSION/TRUSTEE**

DATE PETITION WAS FILED: February 19, 2019

REPORTING PERIOD COVERED: June 1, 2019 - June 30, 2019

I declare under penalty of perjury that the information contained in this report is true and correct to the best of my knowledge and belief:

DEBTOR:

Officer Name & Title: Thomas W. Waldrep, Jr., Trustee

Date: 8/8/19 

Signature: s/Thomas W. Waldrep, Jr., Trustee

I have read the information in this report and the information contained herein is true and correct to the best of my knowledge and belief:

ATTORNEY FOR TRUSTEE:

Printed Name: Jason L. Hendren

Date: 8/8/19

Signature: s/Jason L. Hendren

Penalty for making a false statement or filing a false report: Fine of up to \$500,000.00 or imprisonment for up to 5 years or both. 18 U.S.C. §§ 152 and 3571

Revised December 2017

PART A: BUSINESS OPERATIONS

I. Summary of Business Operations:

1.) Please summarize the Debtor's business activities for the month:

The Trustee reopened the hospital on May 1, 2019 with Affinity Health Partners, LLC serving as the management company.

2.) Did the Debtor operate with a cash surplus or cash loss for the month? If the Debtor operated at a loss, please explain what affected profitability:

Debtor operated with a cash loss in the month of June.

3.) Did the Debtor have any significant receipts or disbursements this month that were unusual or do not reoccur every month? For example, receipts would include insurance claim proceeds, tax refunds and funds from sale proceeds. Disbursements would include annual or quarterly insurance premiums, tax payments, large repairs, etc.:

(a) RECEIPTS –

None

(b) DISBURSEMENTS –

None

II. Summary of Chapter 11 Activities:

1.) Were any transactions this month outside of the ordinary course of business? For example, did the Debtor sell any property, receive a loan from a third party or make any large purchases? If yes, please describe:

None

2.) What steps has the Debtor taken toward reorganization or liquidation?

The Trustee hired various professionals in this cases including co-counsel, an accountant, a financial consultant and special counsel to deal with regulatory issues. The Trustee is continuing to evaluate his options regarding reorganization.

PART B: CERTIFICATIONS

- 1.) Is the Debtor current on all post-petition tax obligations? ☒ Yes ☐ No

If the Debtor checked **no**, please complete the chart below:

Name of Taxing Authority	Amount Of Taxes Owed

- 2.) Has the Debtor filed all necessary tax forms (e.g., 1040, 1120 and 941), coming due since the petition date? ☐ Yes ☐ No * This information is unknown the to Trustee at this time.

If the Debtor checked **no**, please provide information regarding the tax forms that are currently unfiled:

- 3.) Is the Debtor current on all post-petition administrative expenses (excluding tax obligations)? ☐ Yes ☐ No * This information is unknown to the Trustee at this time.

If the Debtor checked **no**, please complete the chart below:

Name of Administrative Creditor	Amount Owed

- 4.) Are the Debtor's insurance policies in full force and effect? ☒ Yes ☐ No

If the Debtor checked no, please detail which property owned by the Debtor is not insured:

- 5.) Has the Debtor closed all pre-petition bank accounts? ☐ Yes ☒ No

If the Debtor checked no, please list the pre-petition bank accounts that are still open and whether the Debtor sought Court approval to keep the accounts open:

Name of Banking Institution	Last 4 Digits of Account	Court Approval (Y/N)
U.S. Bank	3804	N
Southern Bank	0487	N
Southern Bank	0495	N

- 6.) Did the Debtor pay any pre-petition unsecured debts this reporting period? ☐ Yes ☒ No

If the Debtor checked yes, please complete the chart below:

Name of Unsecured Creditor	Amount Paid

- 7.) Did the Debtor deposit all sources of income into its DIP bank accounts this reporting period? ☐ Yes ☒ No

If the Debtor checked **no**, please detail where the estate funds were deposited, or (if not deposited), how the funds were disbursed:

The Debtor's income was deposited into Southern Bank #0487 and US Bank #3804.

- 8.) Did the Debtor pay any professionals (e.g., attorney or accountant) without prior Court approval this reporting period? ☐ Yes ☒ No

If the Debtor checked **yes**, please complete the chart below:

Name of Professional	Amount Paid

- 9.) Did the Debtor sell or transfer any property outside of the ordinary course of business without prior Court approval during this reporting period? ☐ Yes ☒ No

If the Debtor checked **yes**, please provide additional information regarding the property that was sold or transferred:

10.) Did any person or entity pay any expenses or costs on behalf of the Debtor during this reporting period? ☒ Yes ☐ No

If the Debtor checked yes, please list all expenses paid on behalf of the Debtor, including the name of the person or entity who made the payments:

Trustee employed Affinity Health Partners as Washington County Hospital's management company. Affinity's transactions in its Washington County accounts are included in this report.

11.) Did the Debtor transfer any property to or for the benefit of an officer or insider of the Debtor, or a relative of an officer or insider of the Debtor during the reporting period (a transfer includes, but is not limited to, the payment of personal expenses, provision of non-court approved fringe benefits, purchase of items for a personal non-business purpose)? ☐ Yes ☒ No

If the Debtor checked yes, please list all expenses or costs the Debtor paid on behalf of any officer or insider of the Debtor, or on behalf of a relative of an officer or insider of the Debtor:

**PART C: SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Trustee's Account (Last 4 Digits: 4572)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 1,438,513.89
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 219,981.64
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 466,052.27
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 1,192,443.26

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 1,192,443.26
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 1,192,443.26

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 4572)

RECEIPTS:	AMOUNT:
Sales	\$
Rental Income	\$
Collection of post-petition accounts receivable	\$
Collection of pre-petition accounts receivable	\$
Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00
Transfers from other accounts (list last 4 digits of account numbers below): (a) 3804 _____ (b) _____ (c) _____	(list amounts below): (a) \$ 219,981.64 _____ (b) _____ (c) _____ Total = \$ 219,981.64
Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00
Less allowance for returns and discounts	\$

→ *TOTAL = \$ **219,981.64**

*Total equals item #2 (Total Cash Receipts) on Part C.

Revised December 2017

Click to add another account

EXHIBIT 2DESCRIPTION/ITEMIZATION OF **DISBURSEMENTS** (Last 4 Digits of Acct # **4572**)

DISBURSEMENTS:	AMOUNT:
Payments to Secured Creditors	\$
Purchases of Inventory	\$
Net Payroll (excluding officer compensation)	\$
Officer Compensation	\$
Subcontractors and Contract Workers	\$
Payroll Taxes	\$
Sales Tax	\$
Property Taxes	\$
Supplies and Materials	\$
Real Property Lease Payments	\$
Vehicle & Equipment Lease Payments	\$
Utilities (Telephone, Electricity, Water, Other)	\$
Travel and Entertainment	\$
Meal and Food Costs	\$
Transportation Costs (e.g., fuel, tolls, parking)	\$
Vehicle Maintenance and Repairs Costs	\$
Equipment Repair Costs	\$
Real Property Repairs and Maintenance Costs	\$
Vehicle Insurance Premiums	\$
Life and Health Insurance Premiums	\$
Real Property Insurance Premiums	\$
Other Insurance Premiums	\$
Office Supplies	\$
Freight and Shipping Costs	\$
Advertising and Marketing	\$
Professional Fees (e.g., Attorney, Accountant)	\$162.10
Quarterly Fees	\$
Transfers to other accounts (list last 4 digits of account numbers below):	(list amounts below):
(a) <u>Trans to Affinity 5931</u>	(a) <u>\$ 228,190.78</u>
(b) <u>Trans to Affinity 0487</u>	(b) <u>\$ 232,564.33</u>
(c) _____	(c) _____
	Total = \$460,755.11
Other (PROVIDE ATTACHMENT)	\$5,135.06

➔ *TOTAL = **\$ 466,052.27**

*Total equals item #3 (Total Cash Disbursements) on Part C.

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☐ Southern Bank Account (Last 4 Digits: 0487)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 218,107.59
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 267,383.73
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 222,495.13
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 262,996.19

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 262,996.19
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 262,996.19

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 0487)

RECEIPTS:	AMOUNT:
Sales	\$
Rental Income	\$
Collection of post-petition accounts receivable	\$
Collection of pre-petition accounts receivable	\$ 7,533.12
Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ Total = \$ 0.00
Transfers from other accounts (list last 4 digits of account numbers below): (a) Transfer from 4572 _____ (b) _____ (c) _____	(list amounts below): (a) \$ 232,564.33 _____ (b) _____ (c) _____ Total = \$ 232,564.33
Other forms of income/deposits (list sources below): (a) Transfer from Affinity _____ (b) Interest _____ (c) _____	(list amounts below): (a) \$ 27,281.18 _____ (b) \$ 5.10 _____ (c) _____ Total = \$ 27,286.28
Less allowance for returns and discounts	\$

➔ *TOTAL = **\$ 267,383.73**

***Total equals item #2 (Total Cash Receipts) on Part C.**

Revised December 2017

Click to add another account

EXHIBIT 2**DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 0487)**

DISBURSEMENTS:	AMOUNT:
Payments to Secured Creditors	\$
Purchases of Inventory	\$
Net Payroll (excluding officer compensation)	\$178,190.80
Officer Compensation	\$
Subcontractors and Contract Workers	\$
Payroll Taxes	\$
Sales Tax	\$
Property Taxes	\$
Supplies and Materials	\$18,465.81
Real Property Lease Payments	\$
Vehicle & Equipment Lease Payments	\$
Utilities (Telephone, Electricity, Water, Other)	\$11,252.23
Travel and Entertainment	\$
Meal and Food Costs	\$
Transportation Costs (e.g., fuel, tolls, parking)	\$
Vehicle Maintenance and Repairs Costs	\$
Equipment Repair Costs	\$
Real Property Repairs and Maintenance Costs	\$9,126.00
Vehicle Insurance Premiums	\$
Life and Health Insurance Premiums	\$
Real Property Insurance Premiums	\$
Other Insurance Premiums	\$
Office Supplies	\$
Freight and Shipping Costs	\$
Advertising and Marketing	\$750.00
Professional Fees (e.g., Attorney, Accountant)	\$
Quarterly Fees	\$
Transfers to other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ Total = \$0.00
Other (PROVIDE ATTACHMENT)	\$4,710.29

→ *TOTAL = **\$ 222,495.13**

*Total equals item #3 (Total Cash Disbursements) on Part C.

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☐ Southern Bank Account (Last 4 Digits: 0495)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 796.50
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 154.51
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 0.00
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 951.01

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 951.01
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 951.01

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # **0495**)

RECEIPTS:	AMOUNT:
Sales	\$
Rental Income	\$
Collection of post-petition accounts receivable	\$
Collection of pre-petition accounts receivable	\$
Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Other forms of income/deposits (list sources below): (a) Cafeteria for outside people (b) and staff eating breakfast (c) _____	(list amounts below): (a) \$ 154.51 (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 154.51</div>
Less allowance for returns and discounts	\$

➔ *TOTAL = **\$ 154.51**

*Total equals item #2 (Total Cash Receipts) on Part C.

Click to add another account

EXHIBIT 2

DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 0495)

DISBURSEMENTS:	AMOUNT:
Payments to Secured Creditors	\$
Purchases of Inventory	\$
Net Payroll (excluding officer compensation)	\$
Officer Compensation	\$
Subcontractors and Contract Workers	\$
Payroll Taxes	\$
Sales Tax	\$
Property Taxes	\$
Supplies and Materials	\$
Real Property Lease Payments	\$
Vehicle & Equipment Lease Payments	\$
Utilities (Telephone, Electricity, Water, Other)	\$
Travel and Entertainment	\$
Meal and Food Costs	\$
Transportation Costs (e.g., fuel, tolls, parking)	\$
Vehicle Maintenance and Repairs Costs	\$
Equipment Repair Costs	\$
Real Property Repairs and Maintenance Costs	\$
Vehicle Insurance Premiums	\$
Life and Health Insurance Premiums	\$
Real Property Insurance Premiums	\$
Other Insurance Premiums	\$
Office Supplies	\$
Freight and Shipping Costs	\$
Advertising and Marketing	\$
Professional Fees (e.g., Attorney, Accountant)	\$
Quarterly Fees	\$
Transfers to other accounts (list last 4 digits of account numbers below): <div style="margin-left: 40px;">(a) _____</div> <div style="margin-left: 40px;">(b) _____</div> <div style="margin-left: 40px;">(c) _____</div>	<div>(list amounts below):</div> <div style="margin-left: 40px;">(a) _____</div> <div style="margin-left: 40px;">(b) _____</div> <div style="margin-left: 40px;">(c) _____</div> <div style="text-align: right; margin-top: 10px;">Total = \$ 0.00</div>
Other (PROVIDE ATTACHMENT)	\$

➔ ***TOTAL = \$ 0.00**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☐ US Bank Account (Last 4 Digits: 3804)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 207,756.30
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 16,707.26
[On following page- **EXHIBIT 1**
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 219,981.64
[On following page- **EXHIBIT 2**
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 4,481.92

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 4,481.92
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 4,481.92

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # **3804**)

RECEIPTS:	AMOUNT:
Sales	\$
Rental Income	\$
Collection of post-petition accounts receivable	\$
Collection of pre-petition accounts receivable	\$ 16,707.26
Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Less allowance for returns and discounts	\$

➔ *TOTAL = **\$ 16,707.26**

*Total equals item #2 (Total Cash Receipts) on Part C.

Click to add another account

EXHIBIT 2

DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 3804)

DISBURSEMENTS:	AMOUNT:
Payments to Secured Creditors	\$
Purchases of Inventory	\$
Net Payroll (excluding officer compensation)	\$
Officer Compensation	\$
Subcontractors and Contract Workers	\$
Payroll Taxes	\$
Sales Tax	\$
Property Taxes	\$
Supplies and Materials	\$
Real Property Lease Payments	\$
Vehicle & Equipment Lease Payments	\$
Utilities (Telephone, Electricity, Water, Other)	\$
Travel and Entertainment	\$
Meal and Food Costs	\$
Transportation Costs (e.g., fuel, tolls, parking)	\$
Vehicle Maintenance and Repairs Costs	\$
Equipment Repair Costs	\$
Real Property Repairs and Maintenance Costs	\$
Vehicle Insurance Premiums	\$
Life and Health Insurance Premiums	\$
Real Property Insurance Premiums	\$
Other Insurance Premiums	\$
Office Supplies	\$
Freight and Shipping Costs	\$
Advertising and Marketing	\$
Professional Fees (e.g., Attorney, Accountant)	\$
Quarterly Fees	\$
Transfers to other accounts (list last 4 digits of account numbers below): <div style="margin-left: 40px;">(a) <u>4572</u></div> <div style="margin-left: 40px;">(b) _____</div> <div style="margin-left: 40px;">(c) _____</div>	<div>(list amounts below):</div> <div style="margin-left: 40px;">(a) \$ 219,981.64 _____</div> <div style="margin-left: 40px;">(b) _____</div> <div style="margin-left: 40px;">(c) _____</div> <div style="text-align: right; margin-top: 10px;">Total = \$ 219,981.64</div>
Other (PROVIDE ATTACHMENT)	\$

➔ *TOTAL = **\$ 219,981.64**

*Total equals item #3 (Total Cash Disbursements) on Part C.

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Affinity Account (Last 4 Digits: 5931)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: **\$ 81,507.45**
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: **\$ 228,190.78**
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: **\$ 274,758.30**
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: **\$ 34,939.93**

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: **\$ 34,939.93**
6. PLUS UNCLEARED DEPOSITS **\$ 0.00**
7. LESS UNCLEARED CHECKS **\$ 0.00**
8. ENDING RECONCILED BALANCE: ***\$ 34,939.93**

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 5931)

RECEIPTS:	AMOUNT:
Sales	\$
Rental Income	\$
Collection of post-petition accounts receivable	\$
Collection of pre-petition accounts receivable	\$
Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Transfers from other accounts (list last 4 digits of account numbers below): (a) <u>4572</u> _____ (b) _____ (c) _____	(list amounts below): (a) \$ 228,190.78 _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 228,190.78</div>
Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Less allowance for returns and discounts	\$

➔ *TOTAL = **\$ 228,190.78**

*Total equals item #2 (Total Cash Receipts) on Part C.

Click to add another account

EXHIBIT 2DESCRIPTION/ITEMIZATION OF **DISBURSEMENTS** (Last 4 Digits of Acct # **5931**)

DISBURSEMENTS:	AMOUNT:
Payments to Secured Creditors	\$
Purchases of Inventory	\$
Net Payroll (excluding officer compensation)	\$6,618.00
Officer Compensation	\$
Subcontractors and Contract Workers	\$
Payroll Taxes	\$
Sales Tax	\$
Property Taxes	\$
Supplies and Materials	\$6,213.19
Real Property Lease Payments	\$
Vehicle & Equipment Lease Payments	\$1,405.90
Utilities (Telephone, Electricity, Water, Other)	\$9,076.80
Travel and Entertainment	\$
Meal and Food Costs	\$
Transportation Costs (e.g., fuel, tolls, parking)	\$
Vehicle Maintenance and Repairs Costs	\$
Equipment Repair Costs	\$5,980.00
Real Property Repairs and Maintenance Costs	\$6,211.91
Vehicle Insurance Premiums	\$
Life and Health Insurance Premiums	\$
Real Property Insurance Premiums	\$
Other Insurance Premiums	\$43,508.00
Office Supplies	\$
Freight and Shipping Costs	\$
Advertising and Marketing	\$
Professional Fees (e.g., Attorney, Accountant)	\$
Quarterly Fees	\$
Transfers to other accounts (list last 4 digits of account numbers below): <div style="margin-left: 40px;">(a) <u>0487</u></div> <div style="margin-left: 40px;">(b) _____</div> <div style="margin-left: 40px;">(c) _____</div>	(list amounts below): <div style="margin-left: 40px;">(a) \$ 27,281.18</div> <div style="margin-left: 40px;">(b) _____</div> <div style="margin-left: 40px;">(c) _____</div> <div style="text-align: right; margin-top: 10px;">Total = \$27,281.18</div>
Other (PROVIDE ATTACHMENT)	\$168,463.32

➔ *TOTAL = **\$ 274,758.30**

*Total equals item #3 (Total Cash Disbursements) on Part C.

**SUMMARY OF CASH RECEIPTS
AND DISBURSEMENTS**

NATURE/TYPE OF ACCOUNT: ☐ Operating Account (Last 4 Digits: _____)
☐ Tax Account (Last 4 Digits: _____)
☐ Payroll Account (Last 4 Digits: _____)
☒ Affinity Payroll Acct (Last 4 Digits: 5944)

AMOUNT:

1. CASH BALANCE FROM PREVIOUS MONTH'S REPORT: \$ 100.00
2. TOTAL RECEIPTS/TRANSFERS/UNCLEARED: \$ 0.00
[On following page- ***EXHIBIT 1***
- provide a description of the source and amount]
3. TOTAL DISBURSEMENTS/TRANSFERS/UNCLEARED: \$ 0.00
[On following page- ***EXHIBIT 2***
- provide a description of the disbursements]
4. ENDING RECONCILED BALANCE: \$ 100.00

SUMMARY OF BANK ACCOUNT INFORMATION

5. ENDING BANK BALANCE: \$ 100.00
6. PLUS UNCLEARED DEPOSITS \$ 0.00
7. LESS UNCLEARED CHECKS \$ 0.00
8. ENDING RECONCILED BALANCE: *\$ 100.00

*If item #4 differs from Item #8, please explain:

EXHIBIT 1

DESCRIPTION/ITEMIZATION OF RECEIPTS (Last 4 Digits of Acct # 5944)

RECEIPTS:	AMOUNT:
Sales	\$
Rental Income	\$
Collection of post-petition accounts receivable	\$
Collection of pre-petition accounts receivable	\$
Borrowing by Debtor (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Transfers from other accounts (list last 4 digits of account numbers below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Other forms of income/deposits (list sources below): (a) _____ (b) _____ (c) _____	(list amounts below): (a) _____ (b) _____ (c) _____ <div style="text-align: right;">Total = \$ 0.00</div>
Less allowance for returns and discounts	\$

➔ *TOTAL = **\$ 0.00** _____

*Total equals item #2 (Total Cash Receipts) on Part C.

Click to add another account

EXHIBIT 2

DESCRIPTION/ITEMIZATION OF DISBURSEMENTS (Last 4 Digits of Acct # 5944)

DISBURSEMENTS:	AMOUNT:
Payments to Secured Creditors	\$
Purchases of Inventory	\$
Net Payroll (excluding officer compensation)	\$
Officer Compensation	\$
Subcontractors and Contract Workers	\$
Payroll Taxes	\$
Sales Tax	\$
Property Taxes	\$
Supplies and Materials	\$
Real Property Lease Payments	\$
Vehicle & Equipment Lease Payments	\$
Utilities (Telephone, Electricity, Water, Other)	\$
Travel and Entertainment	\$
Meal and Food Costs	\$
Transportation Costs (e.g., fuel, tolls, parking)	\$
Vehicle Maintenance and Repairs Costs	\$
Equipment Repair Costs	\$
Real Property Repairs and Maintenance Costs	\$
Vehicle Insurance Premiums	\$
Life and Health Insurance Premiums	\$
Real Property Insurance Premiums	\$
Other Insurance Premiums	\$
Office Supplies	\$
Freight and Shipping Costs	\$
Advertising and Marketing	\$
Professional Fees (e.g., Attorney, Accountant)	\$
Quarterly Fees	\$
Transfers to other accounts (list last 4 digits of account numbers below):	(list amounts below):
(a) _____	(a) _____
(b) _____	(b) _____
(c) _____	(c) _____
	Total = \$ 0.00
Other (PROVIDE ATTACHMENT)	\$

➔ ***TOTAL = \$ 0.00**

***Total equals item #3 (Total Cash Disbursements) on Part C.**

Other Expenses

Suntrust Acct 4572

6/12/19-Wire out to KC Telco: \$2,135.06

6/18/19-OnPar: \$3000.00

Southern Bank Acct 0487

6/3/19: WCH Petty Cash: \$1,411.78

6/3/19: Amerisource Bergen: \$3,000

6/4/19: ACH-Order of blank checks from bank: \$158.41

6/10/19: Account Analysis Service Charge: \$140.10

Bank of America Acct 5931

6/4/19 and 6/10/19: Transfer Fees: \$90.00

6/4/19: Morris Technical Solutions: IT Assessment: \$4,000.00

6/8/19: Check 1002: Triangle X-Ray: Shipping & Handling and Sales Tax: \$225.31

6/13/19: Order checks from bank: \$160.69

6/24/19: Check 1015: Landauer: Pre and Post New CT Installation Inspection: \$3,875.00

6/25/19: Check 1016: Greenville Pathology: Lab Medical Director Fees: \$6,000.00

Various Dates: Checks 1001, 1011 and 1026: Petty Cash \$1,956.74

Various Dates: Transfers to Affinity Operating Account for Payment of Expenses: \$151,947.58 (See Attachment)

Other Expenses-Bank Account 5931
Transfers to Affinity Operating Account 9861

Date	Amount	To	Description
6/10/2019	\$ 2,801.38	Avignone Expense Report	
6/10/2019	\$ 3,533.16	Garrison Expense Report	
6/11/2019	\$ 200.00	Account Opening Balances	
6/12/2019	\$ 2,903.51	Amerisource Bergen	Pharmacy Drugs
6/12/2019	\$ 8,282.80	Medline Hospital Supply	Supplies Medical
6/12/2019	\$ 36,600.31	Fisher	Chemistry Control Order
6/12/2019	\$ 8,843.20	Beckman Coulter	Lab Metered Billing
6/12/2019	\$ 15.00	ACH Fee Beckman Coulter	
6/12/2019	\$ 30.00	Wire Transfer Fee Fisher Scientific	
6/12/2019	\$ 928.25	The Blood Connection	O Negative Blood
6/12/2019	\$ 5.00	ACH Fee Medline Hospital Supply	
6/14/2019	\$ 1,256.16	Avignone Expense Report	
6/14/2019	\$ 1,470.26	Garrison Expense Report	
6/19/2019	\$ 22,152.00	Medpro	Temporary Nurse Staffing
6/19/2019	\$ 7,082.80	Amerisource Bergen	Rabies Vaccine
6/19/2019	\$ 915.99	Fisher	Blood Bank Controls
6/19/2019	\$ 2,464.75	Ortho Clinical Diagnostics	Blood Bank Supplies
6/19/2019	\$ 487.87	Sysmex	Lab Supplies
6/19/2019	\$ 3,093.20	Siemens	Coagulation Supplies
6/21/2019	\$ 35,000.00	Affinity June Consulting Fees	
6/24/2019	\$ 4,000.00	Morris Technology Solutions	IT Assessment
6/25/2019	\$ 1,333.96	Abbot	Lab Supplies
6/26/2019	\$ 5,856.01	Amerisource Bergen	TnKase
6/26/2019	\$ 886.32	Sysco	Food for Cafeteria
6/26/2019	\$ 1,805.65	Medline Hospital Supply	Med/Surg Supplies
TOTAL	\$ 151,947.58		

Checks 5931

Date	Check no	Amount	To	Description
6/5/2019	99	\$ 27,281.18	Southern Bank	Reconciliation with Southern Bank
6/20/2019	1001	\$ 643.92	Petty Cash	
6/18/2019	1002	\$ 225.31	Triangle X-Ray	S&H and Sales Tax
6/19/2019	1004	\$ 7,840.46	Century Link	Phone Bill
6/20/2019	1006	\$ 582.06	Whitecap Linen	Linen
6/25/2019	1008	\$ 445.93	Brame	Hand Sanitizer Refills
6/25/2019	1009	\$ 2,001.00	Audit Microcontrols	Linearity Control Supplies for Lab
6/20/2019	1011	\$ 505.94	Petty Cash	
6/28/2019	1012	\$ 2,602.14	Airgas	Liquid Nitrogen and Tank Rental
6/25/2019	1013	\$ 208.00	Background Check Advantage	Background checks
6/24/2019	1014	\$ 1,405.90	Baxter	IV Pump Rental
6/24/2019	1015	\$ 3,875.00	Landauer	Pre and Post new CT Installation inspection
6/25/2019	1016	\$ 6,000.00	Greenville Pathology	Lab Medical Director Fees
6/24/2019	1017	\$ 5,980.00	Bowen Heating and Air	AC Unit Replacement
6/19/2019	1018	\$ 4,386.91	Ed's Painting	Hospital Repairs
6/25/2019	1019	\$ 55.01	Dominion Power	Electrical Bill
6/27/2019	1020	\$ 495.00	MedPro Waste Disposal	Biomed Waste Disposal
6/28/2019	1022	\$ 582.06	Whitecap Linen	Linen
6/24/2019	1023	\$ 1,825.00	Ed's Painting	CT Building Repairs
6/28/2019	1026	\$ 806.88	Petty Cash	

PART D: SUMMARY OF ACCOUNT RECEIVABLES

	<u>AMOUNT:</u>
1. Beginning Balance	\$ _____
2. Sales on Account	\$ _____
3. Collections on Account	\$ _____
4. Ending Balance [Item #1 plus #2 minus #3]	\$ _____

STATUS OF COLLECTIONS:

	<u>AMOUNT:</u>
Current to 30 days	\$ _____
31 to 60 days	\$ _____
61 to 90 days	\$ _____
91 to 120 days	\$ _____
121 days and older	\$ _____
TOTAL:	\$ _____

The Debtor's total accounts receivable are unknown to the Trustee at the time of this report.

PART E: SUMMARY OF ACCOUNTS PAYABLE

[EXCLUDING PRE-PETITION ACCOUNTS PAYABLE]

	<u>AMOUNT:</u>
Current to 30 days	\$ _____
31 to 60 days	\$ _____
61 to 90 days	\$ _____
91 to 120 days	\$ _____
121 days and older	\$ _____
 TOTAL:	 \$ 0.00 _____

If there are payables outstanding greater than 60 days, please provide an explanation:

Click to add Secured Creditors

PART F: STATUS OF PAYMENTS TO SECURED CREDITORS

Instructions: List all secured creditors and collateral descriptions, regardless if payments are made

☐ Check if this form is not applicable to the Debtor

Creditor Name:	First Capital Corporation
Description of Collateral:	Blanket Lien
Amount Paid this Month:	\$ 0.00
Payment Pursuant to Bankruptcy Court Order?	No
Creditor Name:	GEL Funding, LLC
Description of Collateral:	Blanket Lien
Amount Paid this Month:	\$ 0.00
Payment Pursuant to Bankruptcy Court Order?	No
Creditor Name:	GE Capital Corporation
Description of Collateral:	GE Healthcare Global X-Ray System
Amount Paid this Month:	\$ 0.00
Payment Pursuant to Bankruptcy Court Order?	No
Creditor Name:	First Financial Corporate Leasing, LLC
Description of Collateral:	Blanket Lien
Amount Paid this Month:	\$ 0.00
Payment Pursuant to Bankruptcy Court Order?	No

Click to add Lessors

PART G: STATUS OF PAYMENTS TO LESSORS

Instructions: List all lessors and description of leased property, regardless if payments are made

☐ Check if this form is not applicable to the Debtor

Lessor Name:	BMO Harris Bank, N.A.
Description of Leased Property:	Master Lease 1012601
Amount Paid this Month:	\$ 0.00
Is Lease Current?	Unknown
	
Lessor Name:	Siemens Financial Services, Inc.
Description of Leased Property:	CA 620- Lease #33056-47615
Amount Paid this Month:	\$ 0.00
Is Lease Current?	Unknown
	
Lessor Name:	Siemens Financial Services, Inc.
Description of Leased Property:	CA 660- Lease #33056-47615
Amount Paid this Month:	\$ 0.00
Is Lease Current?	Unknown
	
Lessor Name:	Baxter
Description of Leased Property:	IV Pump
Amount Paid this Month:	\$ 1,405.90
Is Lease Current?	Unknown
	

PART H: SUMMARY OF OFFICER/OWNER COMPENSATION, PROPERTY SALES AND PROFESSIONAL FEE PAYMENTS

1.) REPORT ALL COMPENSATION PAID TO ANY OFFICER OR OWNER THIS MONTH:

☒ Check if no officer compensation was paid this month

Name of Officer/Owner of the Debtor	Monthly Compensation Authorized by the Court	Compensation Received this Month

2.) PROPERTY SALE REPORT:

☒ Check if the Debtor did not sell any property this month

Description of Property Sold	Date Property Sold	Gross Sale Proceeds	Net Sale Proceeds Paid to Debtor

3.) REPORT OF ALL PAYMENTS MADE TO PROFESSIONALS THIS MONTH:

☒ Check if the Debtor did not pay any professionals this month

Name of Professional	Date Compensation Approved	Compensation Authorized by the Court	Compensation Received this Month

PART I: CHAPTER 11 QUARTERLY FEES

DISBURSEMENTS INCLUDE: Sum total of all disbursements from all of the Debtor's bank accounts – **and** – payments made on behalf of the Debtor. Disbursements do not include transfers between the Debtor's accounts. Quarterly fees are not prorated.

Calculating the Fee: Use the table on the following page to compute the Amount of Fee Due for each quarter. Payment of quarterly fees should be submitted to Debtor's attorney, and then Debtor's attorney should submit the payment through **www.pay.gov**.

2nd Quarter:

	<u>Disbursements made by Debtor</u>		<u>Disbursements made on behalf of Debtor</u>
Disbursements for April:	<u>\$ 210,123.78</u>	+	<u> </u>
Disbursements for May:	<u>\$ 195,573.13</u>	+	<u> </u>
Disbursements for June:	<u>\$ 475,269.41</u>	+	<u> </u>
 <u>TOTAL:</u>	 <u>\$ 880,966.32</u>	 +	 <u>\$ 0.00</u>

TOTAL DISBURSEMENTS: \$ 880,966.32

Amount of Fee Due: \$ 4,875.00

Amount of Fee Paid: \$ 4,875.00

Total Disbursements for the Quarter	Amount of Fee Due
\$0 to \$14,999.00	\$325.00
\$15,000.00 to \$74,999.99	\$650.00
\$75,000.00 to \$149,999.99	\$975.00
\$150,000.00 to \$224,999.99	\$1,625.00
\$225,000.00 to \$299,999.99	\$1,950.00
\$300,000.00 to \$999,999.99	\$4,875.00
Total disbursements are equal to or greater than \$1,000,000.00	1% of total disbursements or \$250,000.00, whichever is less